

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
W.R. GRACE & CO., et al., <sup>1</sup>	)	Case No. 01-1139 (JKF)
	)	Jointly Administered
	)	Objection Date: <u>June 7, 2004</u> at 4:00 p.m.
Debtors.	)	Hearing Date: Scheduled if Necessary (Negative Notice)
	)	

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**QUARTERLY APPLICATION OF  
BANKRUPTCY MANAGEMENT CORPORATION  
FOR COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES AS CLAIMS RECONCILIATION AND  
SOLICITATION CONSULTANT TO THE DEBTORS FOR THE ELEVENTH  
QUARTERLY INTERIM PERIOD (OCTOBER 1, 2003 THROUGH DECEMBER 31, 2003)**

Name of Applicant:	Bankruptcy Management Corporation ("BMC")
Authorized to Provide Professional Services to:	The above-captioned debtors and debtors in possession.
Date of Retention:	Retention Order entered May 8, 2002; effective as of April 4, 2002
Period for which Compensation and Reimbursement is Sought:	October 1, 2003 through December 31, 2003
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$218,187.00
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$ 2,528.88 (Expense Reimbursement) \$ 663.40 (Production Expenses)

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<sup>1</sup> The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food -N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

This is a:  Monthly Application  Quarterly Application  Final Application

The total time expended for preparation of this fee application is approximately 27.0 hours and the corresponding compensation requested is approximately \$5,000.00.<sup>2</sup>

This Quarterly Application filed by BMC is for the 11<sup>th</sup> Quarterly Interim Period.

#### PRIOR APPLICATIONS

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
3/4/2003	4/4/2002-4/30/2002	\$18,913.50	\$1,420.00	\$15,130.80	\$1,420.00
3/4/2003	5/1/2002-5/31/2002	\$46,559.00	\$2,781.83	\$37,247.20	\$2,781.83
3/4/2003	6/1/2002-6/30/2002	\$42,162.00	\$3,538.24	\$33,729.60	\$3,538.24
3/4/2003	5th Quarterly 2002	\$107,634.50	\$7,740.07	\$86,107.60	\$7,740.07
3/4/2003	7/1/2002-7/31/2002	\$48,181.75	\$10,701.48	\$38,545.40	\$10,701.48
3/4/2003	8/1/2002-8/31/2002	\$48,729.50	\$1,891.32	\$38,983.60	\$1,891.32
3/4/2003	9/1/2002-9/30/2002	\$55,850.00	\$2,743.43	\$44,680.00	\$2,743.43
3/4/2003	6th Quarterly 2002	\$152,761.25	\$15,336.23	\$122,209.00	\$15,336.23
3/4/2003	10/1/2002-10/31/2002	\$95,621.50	\$3,384.85	\$76,497.20	\$3,384.85
3/4/2003	11/1/2002-11/30/2002	\$49,215.25	\$2,658.68	\$39,372.20	\$2,658.68
3/4/2003	12/1/2002-12/31/2002	\$46,683.00	\$850.00	\$37,346.40	\$850.00
3/4/2003	7 <sup>th</sup> Quarterly 2002	\$191,519.75	\$6,893.53	\$153,215.80	\$6,893.53
5/15/03	1/1/2003-1/31/2003	\$74,318.00	\$1,229.90	\$59,454.40	\$1,229.90
5/15/03	2/1/2003-2/28/2003	\$82,610.00	\$4,837.69	\$66,088.00	\$4,837.69
5/15/03	3/1/2003-3/31/2003	\$72,572.25	\$3,860.72	\$58,057.80	\$3,860.72
5/15/03	8 <sup>th</sup> Quarterly 2003	\$229,500.25	\$9,928.31	\$183,600.20	\$9,928.31
9/23/03	4/1/2003-4/30/2003	\$117,598.00	\$2,132.50	\$94,078.40	\$2,132.50
9/23/03	5/1/2003-5/31/2003	\$140,988.00	\$5,112.93	\$112,790.40	\$4,689.22
9/23/03	6/1/2003-6/30/2003	\$95,449.00	\$8,234.67	\$76,359.20	\$8,234.67
9/23/03	9 <sup>th</sup> Quarterly 2003	\$354,035.00	\$15,80.10	\$283,228.00	\$15,480.10
2/18/2004	7/1/2003-7/31/2003	\$90,293.50	\$9,851.36	Pending	Pending
2/18/2004	8/1/2003-8/31/2003	\$88,262.50	\$2,515.87	Pending	Pending
2/18/2004	9/1/2003-9/30/2003	\$82,370.00	\$16,341.34	Pending	Pending
2/25/2004	10 <sup>th</sup> Quarterly 2003	\$260,926.00	\$28,708.57	Pending	Pending
4/2/2004	10/1/2003-10/31/2003	\$86,187.00	\$1,861.76	Pending	Pending
4/2/2004	11/1/2003-11/30/2003	\$69,321.00	\$1,330.52	Pending	Pending
4/2/2004	12/1/2003-12/31/2003	\$62,679.00	\$2,627.14	Pending	Pending
4/2/2004	11 <sup>th</sup> Quarterly 2003	\$218,187.00	\$5,819.42	Pending	Pending

<sup>2</sup> The actual number of hours expended in preparing this fee application and the corresponding compensation requested will be set forth in BMC's subsequent fee applications.

BIOGRAPHICAL INFORMATION

Name of Professional Person	Position with Applicant, Number of Years in Position, Prior Relevant Experience, Licenses and Year Obtained, Area of Expertise	Hourly Billing Rate (Including Changes)	Total Hours Billed	Total Compensation
Julia Hasenzahl	Principal, 4 years; former Assistant Director and National Manager-Shared Services Functions, Ernst & Young LLP	\$275.00	1.0	\$275.00
Martha Araki	Senior Bankruptcy Consultant, 5 years; 17 years bankruptcy experience	\$210.00	37.5	\$7,875.00
Brendan Bosack	Senior Data Consultant, 4 years; former application project manager for a claims agent; 7 years prior experience in bankruptcy data, application development and reporting	\$175.00	1.4	\$245.00
Igor Braude	Technology Consultant, 1-1/2 years	\$125.00	1.5	\$187.50
Leah Buley	Data Consultant, 2 years; 5 years prior experience web development	\$125.00	0.8	\$100.00
Susan Burnett	Consultant, 10 months; 3 years prior experience as an attorney, 20 years prior accounting and finance experience	\$150.00	476.0	\$71,400.00
Jacqueline Bush	Data Consultant, 2-1/2 years	\$95.00	1.6	\$152.00
Steffanie Cohen	Reconciliation Consultant, 1-1/2 years; 2 years prior bankruptcy experience	\$110.00	0.4	\$44.00
Diane George	Data Consultant, 4 years; 2 years prior bankruptcy experience	\$140.00	14.2	\$1,988.00
Mike Grimmett	Data Consultant, 1-1/2 years; 12 years prior experience bankruptcy and data programming	\$175.00	209.0	\$36,575.00
Yvette Hassman	Case Support Associate, 1 year; 3 years prior bankruptcy case support experience	\$90.00	2.1	\$189.00
Steven Heathcock	Data Consultant, 2 years; former Consultant, Adept Consulting LLC; 15 years prior experience as Systems Engineer	\$150.00	1.1	\$165.00
Sue Herrschaft	Senior Consultant, 1-1/2 years; former Operations Manager, Audit Division, Arthur Andersen-LA; 10 years prior experience in risk management and quality assurance	\$210.00	456.3	\$95,823.00
Myrtle John	Senior Bankruptcy Consultant, 2-1/2 years; 25 years experience in bankruptcy and other legal practice areas	\$195.00	1.4	\$273.00
Alison Keeny	Case Support Associate, 6 months	\$90.00	1.8	\$162.00
Stephenie Kjonvedt	Consultant, 1 year; 15 years experience in bankruptcy consulting	\$140.00	0.1	\$14.00
James Myers	Case Support Clerk, 3 years	\$65.00	3.2	\$208.00
Lisa Ruppaner	Case Support Associate, 1-1/2 years	\$95.00	16.2	\$1,539.00
Brianna Tate	Case Information Clerk, 10 months	\$45.00	1.0	\$45.00
Frank Visconti	Data Manager, 1-1/2 years; 5 years prior experience in database creation and management	\$125.00	1.7	\$78.00
Anna Wick	Data Consultant, 1-1/2 years	\$110.00	6.5	\$715.00

<b>Grand Total:</b>	<b>Fees: \$ 218,187.00</b>	<b>Hours: 1,234.8</b>
<b>Blended Rate:</b>	\$176.70	

**COMPENSATION BY PROJECT CATEGORY**

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
Asbestos Claims	116.9	\$20,648.50
Case Administration	223.6	\$44,079.00
Data Analysis	262.9	\$46,164.50
Fee Applications-Applicant	375.	\$7,875.00
Non-Asbestos Claims	593.9	\$99,420.00
Travel – Non Working	0.0	\$0.00
<b>Total</b>	<b>1,234.8</b>	<b>\$218,187.00</b>

**EXPENSE SUMMARY**

<b>Expense Category</b>	<b>Service Provider (If Applicable)</b>	<b>Total Expenses</b>
b-Linx/Data Storage	BMC	\$2,550.00
Document Storage	BMC	1,165.80
Postage/Shipping	Various	84.39
Pacer	US Courts Pacer Site	\$1,355.83
<b>Total</b>		<b>\$5,156.02</b>

**PRODUCTION EXPENSE SUMMARY**

<b>Date of Mailing</b>	<b>Service Provider (If Applicable)</b>	<b>Total Expenses</b>
October 23, 2003	BMC	\$571.48
November 12, 2003	BMC	\$91.92
<b>Total</b>		<b>\$663.40</b>

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